

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 12<sup>th</sup> day of August, 2009.

In the Matter of the Application of Seges Partners )  
Mobile Home Park, L.L.C., for Certificates of ) **File No. WA-2008-0403, et al.**  
Convenience and Necessity to Provide Water )  
and Sewer Service )

**ORDER GRANTING CERTIFICATES OF CONVENIENCE AND NECESSITY**

Issue Date: August 12, 2009

Effective Date: August 22, 2009

**Procedural History**

On June 19, 2008, Seges Partners Mobile Home Park, L.L.C. (“Seges Partners”), filed an application with the Missouri Public Service Commission. It requests a certificate of convenience and necessity to operate a water system in Callaway County, Missouri. On May 11, 2009, Seges Partners also filed an application for a certificate of convenience and necessity to operate a sewer system, also in Callaway County.<sup>1</sup>

The Commission ordered that notice of the applications be given to the public and interested parties. The Commission did not receive any requests to intervene.

On July 24, 2009, the Commission’s Staff (hereafter “Staff”) filed a Recommendation that asks the Commission to approve the application, subject to certain conditions. Commission Rule 4 CSR 240-2.080(15) allows parties ten days to respond to pleadings. No party responded to Staff’s Recommendation; therefore, the Commission finds that no

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<sup>1</sup> Seges Partners’ application for a sewer certificate was docketed File No. SA-2009-0401, and later consolidated into File No. WA-2008-0403.

party objects to the Commission granting Seges Partners the certificates subject to the conditions requested by Staff.

### **Decision**

The Commission may grant a water or sewer corporation a certificate of convenience and necessity to operate after determining that the construction and operation are either “necessary or convenient for the public service.”<sup>2</sup> The Commission has stated five criteria that it will use:

- 1) There must be a need for the service;
- 2) The applicant must be qualified to provide the proposed service;
- 3) The applicant must have the financial ability to provide the service;
- 4) The applicant’s proposal must be economically feasible; and
- 5) The service must promote the public interest.<sup>3</sup>

Based on the verified applications and the verified recommendation of Staff, which are admitted into evidence, the Commission finds that granting Seges Partners’ applications for certificates of convenience and necessity to provide water and sewer service meet the above listed criteria.<sup>4</sup> The applications will be granted.

The Commission reminds Seges Partners that failure to comply with its regulatory obligations may result in the assessment of penalties against it. These regulatory obligations include, but are not limited to, the following:

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<sup>2</sup> Section 393.170, RSMo 2000.

<sup>3</sup> *In re Tartan Energy Company*, 3 Mo.P.S.C. 173, 177 (1994).

<sup>4</sup> The requirement for a hearing is met when the opportunity for hearing is provided and no proper party requests the opportunity to present evidence. No party requested a hearing in this matter; thus, no hearing is necessary. *State ex rel. Deffenderfer Enterprises, Inc. v. Public Service Comm’n of the State of Missouri*, 776 S.W.2d 494 (Mo. App. W.D. 1989).

A) The obligation to file an annual report, as established by Section 393.140(6), RSMo 2000. Failure to comply with this obligation will make the utility liable to a penalty of \$100 and an additional \$100 per day that the violation continues. Commission Rule 4 CSR 240-3.640 requires water utilities to file their annual report on or before April 15 of each year. Commission Rule 4 CSR 240-3.335 imposes the same requirement on sewer utilities.

B) The obligation to pay an annual assessment fee established by the Commission, as required by Section 386.370, RSMo 2000. Because assessments are facilitated by order of the Commission, failure to comply with the order will subject the company to penalties ranging from \$100 to \$2,000 for each day of noncompliance pursuant to Section 386.570, RSMo 2000.

C) The obligation to provide safe and adequate service at just and reasonable rates, pursuant to Section 393.130, RSMo Supp. 2008.

D) The obligation to comply with all relevant state and federal laws and regulations, including but not limited to, rules of this Commission, the Department of Natural Resources, and the Environmental Protection Agency.

E) The obligation to comply with orders issued by the Commission. If the company fails to comply it is subject to penalties for noncompliance ranging from \$100 to \$2,000 per day of noncompliance, pursuant to Section 386.570, RSMo 2000.

F) The obligation to keep the Commission informed of its current address and telephone number.

These certificates are granted conditioned upon the compliance of the company with all of these obligations, as well as the obligations listed below in the ordered paragraphs.

Moreover, if the Commission finds, upon conducting a hearing, that the company fails to provide safe and adequate service, or has defaulted on any indebtedness, the Commission shall petition the circuit court for an order attaching the assets, and placing the company under the control of a receiver, as permitted by Section 393.145, RSMo Supp. 2008. As a condition of granting this certificate, the company hereby consents to the appointment of a temporary receiver until such time as the circuit court grants or denies the petition for receivership.

The company is also placed on notice that Section 386.310.1, RSMo 2000, provides that the Commission can, without first holding a hearing, issue an order in any case “in which the commission determines that the failure to do so would result in the likelihood of imminent threat of serious harm to life or property.”

Furthermore, the company is reminded that, as a corporation, its officers may not represent the company before the Commission. Instead, the corporation must be represented by an attorney licensed to practice in Missouri.

**THE COMMISSION ORDERS THAT:**

1. Seges Partners Mobile Home Park, L.L.C., is granted permission, approval, and a certificate of convenience and necessity to construct, install, own, operate, control, manage, and maintain water and sewer systems for the public in Callaway County, Missouri, as more particularly described in its application.

2. These certificates of convenience and necessity are granted upon the conditions set out in the body of this order.

3. Seges Partners Mobile Home Park, L.L.C. must submit a complete water tariff specifying a monthly customer charge of \$12.49 plus \$2.37 for each 1,000 gallons of

metered usage, and the customers will not be billed for service until such time as the tariff is approved and made effective.

4.. Seges Partners Mobile Home Park, L.L.C. must submit a complete sewer tariff specifying a monthly customer charge of \$19.45 plus \$2.73 for each 1,000 gallons of metered usage, and the customers will not be billed for service until such time as the tariff is approved and made effective;

5. The Commission approves the schedules of depreciation rates attached to the Staff Recommendation, and orders Seges Partners Mobile Home Park, L.L.C. to use those rates.

6. Seges Partners Mobile Home Park, L.L.C. shall comply with all Missouri statutes and Commission rules.

7. Nothing in the Staff Recommendation or this order shall bind the Commission on any ratemaking issue in any future rate proceeding.

8. This order shall become effective on August 22, 2009.

**BY THE COMMISSION**



Steven C. Reed  
Secretary

( S E A L )

Clayton, Chm., Davis, Jarrett,  
and Gunn, CC., concur.

Pridgin, Senior Regulatory Law Judge